



February 8, 2024

Company: Tokyu Fudosan Holdings Corporation
Representative: Hironori Nishikawa, President & CEO
(Code No. 3289, TSE Prime)
Inquiries: Shinichiro Usugi, Director & Operating Officer

Notice regarding the sale of real estate for sale

Tokyu Fudosan Holdings Corporation (the “Company”) announces that our Board of Directors at a meeting held today, resolved the sale of the real estate for sale (the “sale”) as described below.

1. Property description

Property Name: Shibuya Sakura Stage
Location: Shibuya Ward, Tokyo, Japan
Total Floor Area: Approximately 254,700 square meters
Subject of Sale: Equivalent to a 49% co-ownership interest in the sectional ownership of the 10th to 23rd floors, 28th to 37th floors, and some floors of the 38th floor of SHIBUYA Tower (the “subject property for sale”).
Book value: 71,595 million yen
(Book value of the subject property for sale as of December 31, 2023, in our consolidated balance sheet)
Usage: Office

* Shibuya Sakura Stage is a large-scale complex consisting of three blocks: SHIBUYA Side (SHIBUYA Tower and Central Building), SAKURA Side (SAKURA Tower and SAKURA Terrace), and Nakashibuya Church of Christ in Japan. Tokyu Land Corporation owns a portion of the sectional ownership in SHIBUYA side and SAKURA side.

2. Schedule

Contract conclusion date: February 9, 2024 (tentative)
Property handover date: Delivery of 60% of the subject property for sale is scheduled on March 19, 2025 (tentative).
Delivery of 40% of the subject property for sale is scheduled for March 19, 2026 (tentative).

3. Transaction overview

Although details will not be disclosed due to confidentiality obligations with the party to whom the sale is made, the subject property, which is owned by Tokyu Land Corporation, a consolidated subsidiary of the Company, will be sold to a fund in which domestic institutional investors will invest and a special purpose company in which a domestic institutional investment fund and Tokyu Land Corporation will make a silent partnership investment. In addition, Tokyu Land Capital Management Corporation, a consolidated subsidiary of the Company, will be entrusted with asset management services by the special purpose company. The sale is part of the "Co-Creation with partners" business policy set forth in the long-term management policy and is being conducted from the perspective of increasing the number of assets involved and improving efficiency through the use of other parties' capital.

The sale price is equivalent to at least 10% of consolidated operating revenues for the fiscal year ending March 31, 2023, and the gain on the sale is equivalent to at least 30% of consolidated ordinary profit for the fiscal year ending March 31, 2023. The gain on the sale of 60% of the subject property for sale, which is expected to be recorded in the fiscal year ending March 31, 2025, is also equivalent to 30% or more of consolidated ordinary profit for the fiscal year ending March 31, 2023.

The sale is part of the Shibuya Sakura Stage SHIBUYA Tower, and Tokyu Land Corporation will continue to own the portion of the building other than the portion subject to the sale. Tokyu Land Corporation will continue to operate the tower, including the portion subject to the sale.

4. Outlook for the Future

The proceeds from the sale are expected to be recorded in the consolidated financial results for the fiscal year ending March 2025 and March 2026, and will have no impact on the consolidated financial results forecast for the fiscal year ending March 2024, which was announced on November 7, 2023.